

**Talbot County Economic Development Commission**  
**Oxford Community Center, Oxford, MD**  
**November 7, 2013 Meeting Minutes**

**Members Present:** Chairman, Walter E. Chase, Sr.; Vice Chairman, Ted Bautz; Peter Dunbar, Gerald O'Mara, and Haim Loran.

**Ex Officio Members Present:** Terenda Thomas and Mike Henry

**Members Excused:** Ann Borders, John General, Susie Hayward, Paul Makosky, Geoff Oxnam and Len Wendowski

**Attendees:** Art Reeside, Scott Warner, Carole Abruzzese, Tim Jones, Mindy Burgoyne, and Mayor Willey

**Guest Speaker:** Donna Dudley, the new Executive Director of the Oxford Community Center, was introduced and provided an overview of her background and interests. Since she began as director two weeks ago, she is putting to good use a variety of her previous skills. Ms. Dudley has a great appreciation for small business as their success is related to the vitality of the community. She is looking ahead with many ideas for programs to benefit Oxford, as well as making the Community Center available to the surrounding area. Ms. Dudley shared that she welcomes any suggestions and ideas from the Talbot County Economic Development Commission. **Carol Abruzzese, President of the Oxford Commission**, welcomed the Talbot County Economic Development Commission to Oxford and expressed optimism for bringing new ideas to Oxford.

**Call to Order:** The meeting was called to order at 8:22 a.m. by Chairman Walter Chase, at the Oxford Community Center, located in Oxford, MD 21654. A quorum was not present.

**Agenda and Minutes:** The Agenda for the November 7<sup>th</sup> Commission Meeting was reviewed without approval. The Minutes from the October 3<sup>rd</sup> Commission meeting will be held over for approval at the December Meeting.

**Correspondence:** The ED Director advised that we sent a thank you letter to Bradley Gillis, developer of Achievement Park in Easton, regarding his donation of space for the Neighborhood Service Center to store dry goods for the area food bank. Letters were mailed to the US Delegation, after the Calhoon MEBA Acting Director advised the ED Commission of the impact of sequestration on the current Fleet. The letter identifies budget cuts will affect the Maritime Security Program, as well as the effects it will have on training demand and student enrollment at the MEBA/Calhoon Engineering School in Talbot County. The Economic Development Commission received correspondence from the County Council confirming Haim Loran's appointment to the Commission. Mr. Loran represents manufacturing and has been recommended for a three-year term.

**Old Business:** Recommended revisions for Talbot County Bill 737, "Awarding Real Property Tax Credits" was circulated to the EDC for input prior to the November Meeting. A presentation was made to the County Council on October 22, 2013 in the EDC Quarterly Work session. Three Maryland Counties were selected for benchmarks on Real Property Tax incentives (Montgomery, Calvert and Howard). The recommendation includes a combination of investments totaling \$1.5 million, which include land, buildings and capital expenditures, and the hiring of 15 new employees with a minimal wage requirement for paying twice the federal minimum wage. Mr. Bautz expressed concern that the recommendation be consistent with Sage policy Group who suggested a \$1 million investment, reported in the Talbot County Strategic Plan. This item of business could not be voted on without a quorum; however, the ED Director volunteered to circulate the updated draft legislation with the recommended \$1 million investment threshold to the EDC and for review and approval. It has also been suggested that a Fast Track permitting process be tied to an award of

Real Property Tax Credits. It takes six months to become codified, so the sooner we get this processed the better.

The current legislation has not been used since it was drafted and enacted in 1999. There was discussion about how much tax credit could be granted per request, which would be determined by the size of the project and the number of new employees at the discretion of the County Council. Mr. Loran expressed concern that a defined amount of credit should be established. The ED Director pointed out that an evaluation cannot be made without knowing the size of the investment and the number of employees so that a total tax obligation and economic impact can be determined. Mr. Bautz suggested the bill is used to establish the framework so that the tax credit can be awarded. An application will have to be drafted to accept information about the business and the investment and scope of development as well as the proposed impact to the local economy. He went on to suggest that the EDC may have an opportunity to make the tax credit consideration more standard; however, it is necessary to lower the threshold first to attract business interest. The Council may adjust their decisions based on the investment impact to the economy and the number and type of jobs that would be created.

The ED Director reported on the Quarterly EDC meeting with the Talbot County Council that took place on October 22<sup>nd</sup>. The Council expressed concern over the lack of a business friendly perception in the County. The review of the Real Property Tax Credit includes the recommendation for a fast-track permitting process and would most likely include the cooperation from the towns, as most development will be permitted in the towns.

The ED Director discussed the requirement for setting up the two Sub Committees to address the Strategic Plan Recommendations: to create a more Business Friendly Environment and a Branding/Marketing Group. There are currently several efforts to improve the Business Friendly Environment including efforts from the County Planning & Zoning Department and the Chamber of Commerce Legislative Committee. Ted Bautz has offered to Chair the Sub Committee for A Business Friendly Environment. Sandy Coyman, Planning Officer indicated he would like to be a part of this group. Others interested in this work include Al Silverstein and Susie Hayward. We would like to include members from the EDC and from the private sector. Mike Hiner has expressed interested in this area as well. There is an effort nationally to expedite the permitting process. The group will identify what they want to accomplish according to the Strategic Plan, draft a resolution which may include a recommendation for Fast Track permitting form the Towns and then move forward to review with the Talbot County Council and Towns and develop a list of steps for action.

The Marketing Sub Committee would also include representation from the Commission and the private sector to review the existing marketing efforts and develop a recommendation to be included in the FY 15 Budget request. Currently, internal efforts have been spent to restructure and update the County website within the existing server and structure. There may be enough funds in the FY 14 Budget to be matched with grant funds to develop a Brand for Talbot County. If we are able to develop a brand that identifies Talbot County, we can then layout materials and target industrial sectors as part of a marketing effort. The Sub Committee would develop comprehensive strategy with a budget request that would be review by the County Council accompanied by a request to outline deliverable objectives. We are seeking to identify a Sub Committee Chair.

To celebrate Economic Development Week, the ED Office arranged for members of the EDC and members from the County Council to visit Salisbury Pewter and Wildlife International as examples of manufacturing and Environmental Technology work in the county. The tours were well received.

The Waterfowl Festival Networking Breakfast will be held tomorrow at 9:00 a.m. at the Waterfowl Chesapeake Pavilion and Deputy Secretary Walker, from the MD Department of Business and Economic

Development will be in attendance. The ED Office hosts this breakfast as an opportunity for businesses to network with each other and the environment focused non-profits who have booths in the pavilion. The Waterfowl Festival supports waterfowl habitat and wetland restoration for projects in the Chesapeake Bay Region. The ED Office has been hosting this event for five years to focus attention on environmental technology businesses as a growth industry.

**New Business:** The ED Director requested support and interest for hosting a defense contractors' meeting. In exploring the interest, it was determined that a survey be sent to the contractor community to explore their interest in attending a meeting, topics they would like to discuss and a possible meeting date in and then coordinate a meeting in December or January. A sample survey was reviewed and critiqued. The survey will be edited and sent to Talbot County contractors. It was suggested that, based on the survey response, a meeting date in January be considered. The item will be placed on the December Agenda.

The ED Director attended a meeting on the state proposed Phosphorus Management program meeting at the Community Center in Easton with approximately 300 farmers and farm representatives. The state has proposed limits for phosphorus contents in fields that would eliminate the use of chicken litter as fertilizer. The farmers would be required to sell their litter to the state. The farmers would then be required to purchase fertilizer. It is estimated there would be 450 million tons of chicken litter requiring 72 trucks per day, five days a week per year to transport off the Shore. A meeting is scheduled in Annapolis for November 20<sup>th</sup>. See links at the end of this report for additional information.

The ED Office is receiving an update on an expanded version of Executive Pulse, our client management system, and the opportunity to share this information with our partners. The Talbot County Retention Group (CORE) meets bi-monthly and the next meeting is scheduled for Wednesday, November 12 at 3:00 p.m.

**Chairman's Report: Walter Chase, Commissioner Town of Trappe** reported Trappe had their Oktoberfest on the 10/5 and Nace's Day was celebrated on 10/12 with one of the largest parades to date. Mr. Chase attended the Talbot County Parks and Recreation Commission meeting 10/17 and came before the Talbot County Council for the EDC quarterly work session on 10/22. The Talbot County Chamber of Commerce hosted the Economic Forecast Breakfast on 10/23 and Mr. Chase represented the EDC as Chairman. On 10/29 Mr. Chase met with Trappe's downtown business owners, after Ms. Bethke met with them the day before on 10/28 to discuss ways to attract more shoppers to Trappe. Mr. Chase met with Ms. Bethke on 11/4 to tour a historic church in Williamsburg that is for sale. Trappe's Town Council met on 11/06 and there was interest in grants available to develop a parking lot for the businesses in the Town of Trappe. The next meeting with Trappe's Business Association will be on 11/28 at 9:00 a.m. at the Trappe Talbot Bank.

**Director's Report:** Copies of the director's report were available for review. Ms. Bethke reported the EDO is working with two prospects and has made several retention visits to area businesses. Ms. Bethke reported that she met with the Director of the Talbot County Detention Center to better understand workforce development challenges for the incarcerated populations. The EDO is working with Jason Mullen on the Adult Education Classes and GED for Tilghman Island and St Michaels.

**Member Activity Reports: Mayor Willey:** reported that there are many initiatives going on in the town and it is important to coordinate our efforts. The town has finally passed the last piece of legislation concerning Maryland Landlord Inspection and they are actively getting started with the Corporation for the Town of Easton. The Easton Downtown Merchants are moving ahead with their organization and promotions. **Mindie Burgoyne, Department of Business and Economic Development (DBED):** reported they are focused on the EARN program, a grant based training program that aggregates employers around industry sectors to determine common training goals. Ms. Burgoyne reported this is the Governor's number

one initiative. The Upper Shore has identified a group of manufacturers that may be interested in a production focused program. The bulk of Ms. Burgoyne's work is to pass information and exchange resources to expanding businesses. **Ted Bautz, Vice Chairman, Business Community:** provided a general observation that small businesses were gearing up for the fall activities and retail traffic. They are seeing some outside investors taking a second look at Talbot County in terms of buildings. We are competing not just with the Eastern Shore, but also other markets like Denver and Miami. Recently, in the last two weeks, the implications of the new changes to the Flood Zone Map have hit the business community, as well as the real estate market. Transactions are being held up because the revised flood map makes it impossible for a large estate owner to install pools. **Gerry O'Mara, Agriculture:** reported that the Phosphorus Management Tool is an attempt to put restrictions on phosphorus levels in the soil and apparently there is a lot of land in the southern part of the Eastern Shore that are at a level that is higher and will not allow chicken manure to be applied as fertilizer. People who have looked into this soil analysis have argued that the Phosphorus Management Tool is not based on the best science and we need to delay the implementation. There is a need for an economic impact analysis regarding the short and long-term implications of this legislation. Regulations may do more harm if not thoroughly researched. The economic implications could put the poultry industry out of business in Maryland and Mr. O'Mara expressed concern that this would open our land to massive development on the eastern shore for other uses. Ms. Burgoyne interjected that the Delmarva Poultry Industry (DPI) are heavily engaged with this matter and the agriculture community is being heard. Scott Warner, MSRC, contributed that he is involved with this issue as well and will keep us advised. Peter Dunbar indicated that there were several proposals to utilize chicken manure for energy production. He has heard that there is not enough chicken manure and that to utilize the manure as fertilizer, is a lesser use from that industry's perspective. Mr. Chase requested information and the EDC support of the farmer. **Tim Jones, Chesapeake College:** reported that Chesapeake College is developing EARN grants with partners and hope to compete with proposals on the Western Shore. The Allied Health Building construction will be going out for bid in the near future. The College will be subcontracting with preferences for companies from the five-county service area and will generate 300 jobs. The Allied Health Building groundbreaking ceremony will be held December 4<sup>th</sup> at 3 p.m. Chesapeake College has a championship level women's basketball team. The game schedule is online and Mr. Jones encouraged all to support them. Chesapeake College is exploring solar opportunities as an economic offset to energy use and a demonstration for the CLEEn Program. The College continues its search of a Vice President for Institutional Advancement. The Chesapeake College welcomes any suggestions and ideas for how they can continue to improve community outreach and service delivery. **Mike Henry, Eastern Airport:** reported that the Control Tower has not closed, although their funding was terminated on October 31<sup>st</sup>. There has been no word from the FAA for continued funding of the operation. The Airport has been in contact with Senator Mikulski's and Congressman Harris's offices to support funding through January 2015. The Easton Airport traffic count has increased and they are exceeding the business they had last year. This may be a record year for airport activity. Mr. Henry thanked Mayor Willey and the Town and County Council for hosting a presentation with regard to removing the trees as a safety hazard at Newman Field. Mr. Henry expressed hope that this matter can be resolved soon. The airport is also discussing approval for the environmental assessment by the County Council. The FAA attorneys have outlined five phases that they would like to see refreshed or updated. The airport is also exploring options for solar power and has had several meetings with solar companies. The airport plans to take their recommendation the County Council to install solar panels at the airport. **Haim Loran, Manufacturing:** no report. **Art Reeside, Department of Labor, Legislation and Regulations:** reported the county unemployment rate has gone down to 6.4%. There are well over 500 jobs available that we know of, although some are only seasonal. Sotera, a defense contractor based in Easton, has laid off 30 people and anticipate another layoff by the end of the year. **Terenda Thomas, Maryland Department of Labor, Licensing and Regulations (DLLR), Labor Exchange Administrator, Workforce:** reported that Mike Neil has been holding job club meetings for Veterans' every other month.

This is an opportunity for veterans to receive services and speak with employers who are interested in hiring. Ms. Thomas spoke to the need for identifying potential re-entry programs for the Department of Public Safety with Chesapeake College as a partner. Most studies and research have shown that education is one of the key components to reducing recidivism and a connection to our correctional facilities would support helping individuals who are released find employment. Ms. Thomas reported an increase of 800 individuals looking for work last month. Talbot and Dorchester are the largest Job Centers. The EUC benefits will stop on the last week of December 2013. Once an individual has exhausted their 26 weeks of unemployment they will no longer be eligible for assistance and no other programs are available. The unemployment insurance tax rate did go down which will impact the fees paid by employers. **Scott Warner, Executive Director, Mid-Shore Regional Council:** summarized additional information regarding the EARN Program training grant program. Mr. Warner could not attend the Agriculture event in Salisbury because he was invited to the Upper Shore Manufacturing Council meeting. The Eastern Shore Entrepreneur Center and Mr. Warner worked with some of the manufacturers. Dr. Viniar is active on the ESEC board as well. **Peter Dunbar, Commissioner, Town of Oxford:** reported that the county acquired 100 acres of land at the gateway to Oxford as part of the litigation needed for the hospital to locate on property dedicated to park use at the north entrance to Easton. The land in Oxford will be restricted for passive recreation and several county and town representatives have formed a working group to determine the concepts to be applied to this land, the design parameters, the fee for design and the implementation. A major piece of this land will be devoted to constructive wetlands demonstrations. The Land Conservancy Group sees this as a gateway project to Oxford and wants this to be a natural process.

Mr. Chase requested information on the total number of people in Talbot County on unemployment assistance. Ms. Thomas answered, based on the latest data; the August figures report 1,226 people. She also mentioned that the new unemployment insurance tax rate goes into effect January 2014. The range for payment of employers will be 3% to 7.5% for first \$8,500 of Maryland wages.

The meeting was adjourned at 9:45 am. Economic Development Commission Meetings are held at 8:00 a.m. on the first Thursday of each month. The meetings are open to the public. **The next Commission Meeting will be held on December 5<sup>th</sup> at the Easton Diner, located at 8451 Ocean Gateway, Easton, MD at 8:00 a.m.**

Click here to view the proposal, along with the Extension Bulletin to be incorporated by reference in the Maryland Nutrient Management Manual: <http://mda.maryland.gov/Pages/Proposed-Regulations.aspx>.

A fact sheet "AgBrief: Phosphorous Management Tool - An Overview of the Proposed Regulations" is also available online at: [http://mda.maryland.gov/Documents/ag\\_brief/AgBrief\\_PMT\\_092013.pdf](http://mda.maryland.gov/Documents/ag_brief/AgBrief_PMT_092013.pdf)